

RESOLUTION NO.

WHEREAS, child care costs account for a significant portion of a family's budget. The Texas Department of Health and Human Services benchmarks affordable child care at no more than 10% of a family's median income, or \$7,540 in 2014 for the Austin area. However, yearly tuition for infants, toddlers, and pre-school aged children was above the affordable threshold, making high-quality child care out of reach for many working families; and

WHEREAS, according to the Austin Area Sustainability Indicators (2016) - Education and Children report "child population 6 years and under with all available parents in the labor force has consistently surpassed the available capacity of child care facilities;" and

WHEREAS, according to the Austin Early Childhood Council, nearly 70,000 children under the age of six live in the city of Austin, and "[a]most half of them live in low income families, even though their parents are often employed;" and

WHEREAS, according to the 2016 American Community Survey data, nearly 50% of the people over the age of 25 have accessed some amount of higher education without attaining a degree of any type and nearly 30% (28.7%) of people

over the age of 25 have attained is a high school diploma or GED as their highest level of education; and

WHEREAS, the Austin Metro Area Master Community Workforce Plan indicates that over the next five years, the Austin metro area will have more than 60,000 middle-skill openings to fill. These middle skill jobs require more than a high school diploma, but less than a four-year degree, and offer a sustainable pathway for many of the region's economically disadvantaged residents; and

WHEREAS, the master plan indicates that nearly 29,000 middle-skill jobs will pay an average annual wage greater than \$40,840, and over half of those are in the healthcare, information technology, or skilled trades occupation sectors; and

WHEREAS, the Austin Community College (ACC) Highland campus (Highland Campus) is one of ACC's largest campuses that will have capacity to serve 6,000 students and will include the ACCelerator, the nation's largest computer learning lab, and a Health Sciences/STEM Regional Simulation Center, thereby providing Austinites access to high growth middle skill jobs; and

WHEREAS, the Highland Campus is located near major road connectors Interstate Highway 35 and Highway 290, and the CapMetro Metrorail station; and

WHEREAS, on August 17, 2017 City Council approved \$122,5000,000 for the acquisition of 5.164 acres and improvements near the Highland Campus; and

WHEREAS, the location of the City property near the Highland Campus may present a unique opportunity for the City to advance several high-priority goals by locating a child care facility near to the campus; and

WHEREAS, according to data from the Early Childhood Council, City Council Districts 2, 3, and 4 account for over 50% (54%) or roughly 17,700 of the City's children from low income families, but those districts combined have only 56 total child care and education centers with only 16 being high-quality (nationally accredited or Texas 4 Star) child care centers; and

WHEREAS, the Austin Independent School District (AISD) has increased its pre-kindergarten three year-old (PK3) enrollment, in part, through funding from the Texas Education Agency. The funds cover the on-going operating costs, but do not cover the approximately \$16,000 cost of starting a classroom, which creates a gap in an opportunity to serve more children; and

WHEREAS, the Imagine Austin Comprehensive Plan states that "Providing reliable access to housing and quality childcare for low- and middle-income families," is one of the Key challenges for the future and a key barrier to parents' enrollment and completion of a secondary education program; and

WHEREAS, Imagine Austin Comprehensive Plan includes as one of the Society Working Group Priority Actions to “partner with businesses to offer incentives to childcare, early education and preschool programs that locate in underserved areas and near employment centers;” and

WHEREAS, programs such as the Sponsored Career List from Capital IDEA provide low income adults in central Texas the full cost of their education, including assistance with child care expenses; and

WHEREAS, governmental entities, such as the Capital Metropolitan Transportation Authority, have a model for creating affordable, high-quality child care facilities for their employees and the area around their main office; and

WHEREAS, a comprehensive city-wide needs and gap assessment of high-quality, affordable child care has not been conducted in Austin for over a decade, and the city’s demographics have changed significantly in that time; and

WHEREAS, in order to assist in policy-making and decisions related to City investments, City Council and staff need a comprehensive city-wide needs and gap assessment of high-quality child care facilities that accounts for the benefit of adding a child care facility near the Highland Campus in support of Austin

residents' continued enrollment, graduation, and attainment of middle-skill jobs identified by the Workforce Strategic Plan; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to conduct a City-wide needs and gap assessment of high-quality, defined as nationally accredited or Texas Four Star, affordable child care facilities that:

- Develops a city-wide list and map of high-quality child care facilities by Council District, differentiating between those that accept child care subsidy funds and those that do not; and
- Identifies the number of children receiving a subsidy at each center accepting child care subsidy funds; and
- To the extent practicable, provides the differential factors that exist between the centers, including but not limited to, teacher education, teacher pay, benefits, and working conditions; and
- Identifies desirable geographic areas and/or locations for a high-quality child care facility with access to public transportation, institutions of higher education, or workforce hubs, and shall include public land owned by the City, Austin Independent School District, and Travis County; and
- Identifies and describes the types of partnerships and strategies, including current private-public partnerships involving the City, that encourage

affordable, high-quality child care, including collocation of child care centers with open space in underutilized schools and incentivizing employer-based child care; and

- Identifies City programs that assist in creating high-quality, affordable child care for low- or moderate-income families; and
- Identifies opportunity and equity gaps in child care access and quality of care for families in different income brackets and/or neighborhoods; and
- Identifies barriers to creating a City facility able to provide affordable, high-quality child care; and
- Describes requirements for a city to lease property to a child care facility; and
- Evaluates the present and future potential benefits, and opportunities presented by locating an affordable, high-quality child care facility on the parcel to be acquired by the City of Austin for the planned Development Services Department Building; and
- Provides funding options for funding a child care facility if the City determines to move forward with such a facility.
- Considers the availability of PK3 programs, such as those provided by AISD, and provides funding options for the start-up costs to expand PK3

programs in the AISD and surrounding school districts that enroll Austin children.

BE IT FURTHER RESOLVED:

The City Manager is directed to present a draft report to Council by February 15, 2018, and present a final report by March 30, 2018.

ADOPTED: _____, 2017

ATTEST: _____

Jannette S. Goodall
City Clerk